

MINUTES

MONTANA SENATE 57th LEGISLATURE - REGULAR SESSION COMMITTEE ON PUBLIC HEALTH, WELFARE AND SAFETY

Call to Order: By **VICE CHAIRMAN DUANE GRIMES**, on February 9, 2001 at 3 P.M., in Room 317-A Capitol.

ROLL CALL

Members Present:

Sen. Duane Grimes, Vice Chairman (R)
Sen. Chris Christiaens (D)
Sen. Eve Franklin (D)
Sen. Don Hargrove (R)
Sen. Dan Harrington (D)
Sen. Jerry O'Neil (R)
Sen. Emily Stonington (D)

Members Excused: Sen. Al Bishop, Chairman (R)
Sen. Bob DePratu (R)
Sen. Royal Johnson (R)
Sen. Fred Thomas (R)

Members Absent: None.

Staff Present: Jeanne Forrester, Committee Secretary
Susan Fox, Legislative Branch

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: SB 315, 2/1/2001
Executive Action: SB 329, SB 116

HEARING ON SB 315

Sponsor: SEN. EVE FRANKLIN, SD 21, GREAT FALLS

Proponents: Claudia Clifford, State Auditor's Office
Aiden Myhre, Montana Comprehensive Health Association
Chuck Butler, MCHA
Clyde Dailey, American Association of Retired Persons
Vernon Bertelson, Montana Senior Citizen Association
Mary Beth Frideres, Montana Primary Care Association

Linda Gryczan, Montana Women's Lobby
Wendy Young, WEEL
Mary Allen, Montana Benefis Life Company
John Flink, Montana Hospital Association
Jani McCall, Deaconess Billings Clinic

Opponents: None

Opening Statement by Sponsor:

SEN. EVE FRANKLIN, SD 21, GREAT FALLS introduced SB 315. This is a bill that would allow the Montana Comprehensive Health Association (MCHA) to adopt a sliding scale of premium rates for participation of low-income persons. Also, providing for the nonreversion of funds appropriated to the MCHA for the 2000-01 biennium.

Proponents' Testimony:

Claudia Clifford, State Auditor's Office, passed out a fact sheet and strategy paper **EXHIBIT (phs33a01)** and two rate cards **EXHIBIT (phs33a02)**. One of the strategies that was discussed was to expand this program to include low income people, and that is how this bill came about. This bill would not mandate this, only allow this, if funds were available. This bill would allow the MCHA to use the money that was appropriated in 2000-01 and would not allow the money to go back to the general fund.

Aiden Myhre, MCHA, passed out a copy of the MCHA's annual report **EXHIBIT (phs33a03)**. She wanted to reiterate that MCHA is for the uninsurable. Presently, 2000 people are covered by this plan. She asked the committee to consider this bill.

Chuck Butler, MCHA, said he is the vice-chair of the MCHA and spoke in favor of this bill.

Clyde Dailey, AARP, said there are 132,000 AARP members in Montana. Many of them fit into this category of being uninsured. He said they strongly support this bill.

Vernon Bertelson, Montana Senior Citizen Association, agreed with **Mr. Dailey** and said they were in support of this bill.

Mary Beth Frideres, Montana Primary Care Association, said they currently serve over 40,000 Montanans, and of those, half of them are uninsured. She said they were advocates for this bill.

Linda Gryczan, Montana Women's Lobby, submitted a copy of her testimony **EXHIBIT**(phs33a04) .

Wendy Young, WEEL, represents low income Montanans. She asked the committee to give a do pass to SB 315.

Mary Allen, Montana Benefis and Life, said she was here to support this bill.

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John Flink, Montana Hospital Association, said he was here to endorse SB 315. **Mr. Flink** said he was asked to represent **Jani McCall, Deaconess Billings Clinic**, and they are also in support of this bill.

Testimony was submitted by **Oscar Lanes** **EXHIBIT**(phs33a05)

Opponents' Testimony: None

Informational Testimony:

Chuck Notbohm, said he has been a member of MCHA for over two years. As a policy holder, he has a problem with this bill. He is concerned about using the money for a low income program, then having the other members subsidize their rates. He felt if there is an abundance of money, it should be used to lower the insurance rates. He hopes the committee will take a closer look at this bill.

Questions from Committee Members and Responses:

SEN. CHRIS CHRISTIAENS asked what "may adopt as many income categories as it finds necessary" means, as stated on page 2, line 2. **Ms. Clifford** said it was the language needed to create a sliding scale.

SEN. CHRISTIAENS asked if the 1% assessment increased income over the last two years. **Ms. Clifford** said it is increasing, because the insurance companies premiums have gone up some in the last two years.

SEN. JERRY O'NEIL wondered if the number of insured had gone up in the last 20 years. **Ms. Clifford** said she believed in the last 10 years it had gone up from 12% to 20%.

SEN. DUANE GRIMES asked who would qualify for the new program. **Ms. Clifford** said anyone who currently qualifies for the program,

but cannot afford it. In order to qualify, you need to have two programs reject you for coverage.

SEN. GRIMES wanted the MCHA to know the committee appreciated all the hard work they have done. He went on to say the original intent of this program was to provide a safety net for the uninsurable up to 400% of poverty. **Mr. Butler** said he did not believe there were any income levels for this program.

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SEN. GRIMES said he was concerned about getting away from the original intent of this program. **Mr. Butler** said in SB 315, there is an opportunity to insure low income people, by using the money that was unspent allocations from the previous legislature.

SEN. GRIMES said he was concerned about the policy shifting from caring for the uninsured to making it a low-income insurance program. **Ms. Clifford** said the cost shifting can be done by covering those who cannot afford the insurance or by the hospitals having to write off costs.

SEN. EMILY STONINGTON said on page 14 of the annual report, there is an increase on unrestricted net assets. She asked about not having to pay higher premiums to subsidize the low income individuals who do not have money to get into the program.

Ms. Clifford said it is not the intent of this bill to have the rates increase to subsidize the low income. The rates are may seem high, but they have been kept below the statutory caps.

SEN. O'NEIL asked if there have been any studies that show people who have the money to pay for medical services actually use less services, than those who do not have money to pay for them. **SEN. FRANKLIN** said yes there have studies that show that.

Closing by Sponsor:

SEN. FRANKLIN said she was honored to carry this bill. She said they were not opening it to a group of people. These people are eligible to receive coverage, but cannot afford it. In essence, they were removing a barrier for them.

EXECUTIVE ACTION ON SB 329

Motion: **SEN. FRANKLIN** moved that **SB 329 DO PASS.**

Discussion:

SEN. GRIMES asked what is the difference between provisional practice permits and temporary practice permits. **Ms. Fox** said they were intended to look different, with the provisional clause for Canadian nurses and the temporary clause for cross-state nurses.

Vote: Motion **carried 10-0**. **SENATORS BISHOP, DEPRATU and JOHNSON** voted by proxy.

EXECUTIVE ACTION ON SB 116

SEN. STONINGTON said the subcommittee met and these were the amendments they agreed to present to the committee. **Ms. Fox** said amendments 1, 2, 5 and 9 had already been approved.

SEN. STONINGTON proposed **TO SEGREGATE THE AMENDMENTS OF SB 116**.

Motion: **SEN. STONINGTON MOVED TO APPROVE AMENDMENTS 3, 4, 6, 7, 8, 10, 11, 12, 13, 14, 15, AND 16, EXHIBIT (phs33a06) SB011606.asf.**

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Discussion:

Shirley Brown, DPPHS, said the issue was at what point does the judge decide and at what point does the department decide. It was determined the department shall determine the appropriate placement if there is no dispute. If there is a dispute the judge will decide on one of the two placements for consideration.

Vote: Motion **carried 10-0**. **SENATORS FRANKLIN, BISHOP, JOHNSON, and DEPRATU** voted by proxy.

Discussion:

SEN. STONINGTON said the other issue in this bill is whether children in daycare facilities should be investigated by Child Protective Services (CPS) or not. The way the bill is written, CPS would no longer be called to investigate any problems.

Motion: **SEN. STONINGTON moved TO STRIKE LINE 10 ON PAGE 3.**

Substitute Motion: SEN. O'NEIL MADE A SUBSTITUTE MOTION TO SAY A PERSON PROVIDING CARE IN A DAYCARE FACILITY IF REQUESTED BY THE LICENSING AGENCY.

Vote: The substitute Motion failed 1-8 with O'Neil voting aye.

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Vote: Motion made by SEN. STONINGTON carried 9-1 with O'Neil voting no. SENATORS BISHOP, DEPRATU and JOHNSON voted by proxy.

Motion/Vote: SEN. STONINGTON moved that SB 116 DO PASS AS AMENDED. Motion carried 10-0. SENATORS BISHOP, DEPRATU and JOHNSON voted by proxy.

ADJOURNMENT

Adjournment: 5:05 P.M.

SEN. AL BISHOP, Chairman

JEANNE FORRESTER, Secretary

AB/JF

EXHIBIT (phs33aad)